

## The Importance of Current Beneficiary Designations and Naming a Custodian for Minors

Members usually think most about the retirement benefits payable from South Dakota Retirement System (SDRS), but SDRS also provides important benefits that may be paid upon your death before or after retirement. Few things are more important than your beneficiary designation form to assure those benefits are paid in accordance with your wishes. This form instructs SDRS who to pay after your death.

Here are some key points to consider regarding your beneficiary designations:

- Your beneficiary does not automatically change when your life circumstances change.
- Your will does not constitute an SDRS beneficiary designation.
- SDRS cannot make payments directly to minor children.
- Having up-to-date designations and appointing a custodian for minor children can save your loved ones time and money.

### Keep Your Designations Current

Upon your death, there may be benefits available to your survivors, such as family benefits if you leave behind dependent children. However, if those benefits don't equal your accumulated contributions (100 percent of your contributions, a portion of your employer contributions, and credited interest) any remaining balance will be paid in a lump-sum to your named beneficiaries.

SDRS pays benefits according to the latest beneficiary designation in your SDRS record, which may not reflect your current wishes if you have not updated your

designations recently. It is important to review, and update as necessary, your beneficiary designation after any personal life event, such as a change in marital status, the birth or adoption of a child, or as you near retirement.

To review your beneficiary designations, login to your *MySDRS* account online at <https://sdrs.sd.gov> or call the SDRS office. Should you need to update your designations, please complete SDRS Form E-5, "Beneficiary Designation Form." This form is available online at <https://sdrs.sd.gov/docs/E5.pdf> or from the SDRS office.

If no valid beneficiary designation is on file or your beneficiaries predecease you, SDRS will pay benefits according to law, which provides for any payment to be made in the following order: first, to your surviving spouse; second, to your children; and third, to your estate.

### Appoint a Custodian for Minors

Many SDRS members have minor children who may be entitled to receive family benefits upon the member's death. Other SDRS members may list minor children as beneficiaries. In either circumstance, minor children cannot directly receive payments from SDRS; payments must be made to the child's conservator or custodian.

The legal process for naming a conservator can be extensive and expensive. However, under the Uniform Transfers to Minors Act (UTMA), SDRS members can complete a simple form to appoint a custodian to control and manage a minor's SDRS funds until the minor reaches age 18. The SDRS Form E-5A, "Transfer to Minor Form," is available online at <https://sdrs.sd.gov/docs/E5A.pdf> or by calling the SDRS office.

# SDRS is Your Go-To for Information on Your SDRS Benefits

South Dakota Retirement System (SDRS) members are often contacted by outside vendors wanting to advise them on their retirement accounts. Many of these financial companies provide legitimate advisory services, but others falsely represent themselves as SDRS or affiliated with SDRS. Listed below are some facts to help you determine if a solicitation is from SDRS:

- SDRS will never call or email to request confidential or personal information. However, if you have recently contacted our office or initiated a process or change, SDRS may respond as necessary.
- Emails from SDRS will always have **@STATE.SD.US** in the email address.
- SDRS materials will have the SDRS logo, list our website (<https://sdrs.sd.gov>), or include our toll-free phone number (1-888-605-SDRS).
- SDRS will never charge a fee to speak with one of our representatives or to attend an SDRS event.

If you receive a call from someone claiming to be an SDRS representative requesting personal information, do not provide the information and hang up immediately. Likewise, if you receive an email or text, do not reply. Please notify SDRS at 1-888-605-SDRS (7377). We also recommend that you provide the phone number or email address and a description of the call or message to the Attorney General's Office, Division of Consumer Protection, at 1-800-300-1986.

If you are unsure if an email or other communication is from SDRS, please contact the SDRS office.

## Before Selecting a Financial Advisor, Do Your Research

SDRS can provide you with all the information you need to know about your SDRS benefits. However, SDRS staff is not permitted to offer financial advice. You are encouraged to meet with trusted financial advisors who are aware of your unique financial situation and goals. Selecting a financial advisor requires research because not all advisors are legally obligated to make recommendations that are in your best interest. Here are some questions you might consider as you evaluate advisors:

- What are the advisor's credentials? Are they considered a fiduciary?
- How is the advisor compensated?

- Does the advisor offer services that you need?
- How will the advisor communicate with you?
- Will you work directly with a specific advisor or multiple representatives?
- Does the advisor have defined benefit/pension members as clients?

Other than Nationwide Retirement Solutions (NRS), who administers the SDRS Supplemental Retirement Plan (SRP), SDRS does not work with or endorse any external vendors for financial planning services.

## Groups That Appear to Work with SDRS

SDRS works with many stakeholder groups to advocate on behalf of our members and retirees. It is important to note that while these organizations are comprised mostly of SDRS members, retirees, and employer associations, they are otherwise not affiliated with SDRS and operate independently of SDRS.

If any of these organizations promote a health, dental, or vision plan, examine these offerings carefully and note that SDRS does not administer or promote any such plans.

## Official SDRS Channels

We share information about SDRS on our various social media channels. Aside from contacting the SDRS office directly, you can use these channels to obtain current and correct information about the system and your benefits. Our current official channels include:

- SDRS website: <https://sdrs.sd.gov>
- SDRS Facebook page: <https://www.facebook.com/SouthDakotaRetirementSystem>
- SDRS YouTube channel: <https://www.youtube.com/channel/UC6iWTBqxrSsITuEYMAfDNQ>
- SDRS Supplemental Retirement Plan website: <https://www.srp457.com>

## Protect Your Personal Information

SDRS is diligent about protecting your personal information. To limit the use of Social Security numbers in SDRS-related correspondence, please remember to use your SDRS ID number provided on your SDRS ID card. This helps keep your personal information secure.

# SDRS Travel Schedule

SDRS retirement planners will once again be traveling to communities throughout South Dakota to meet one-on-one with members for personal retirement counseling sessions. Due to COVID-19, in-person sessions will be conducted with the health and safety of SDRS members and staff in mind. For SDRS, this means that sneeze guards will be used for in-person visits and staff will be disinfecting work areas between sessions. Face coverings will be optional.

For our members' convenience, SDRS will continue to offer individual counseling sessions by phone or via virtual meeting with Microsoft Teams.

## INDIVIDUAL RETIREMENT COUNSELING SCHEDULE

| DATE       | LOCATION   | ADDRESS FOR IN-PERSON COUNSELING SESSIONS | 30-MINUTE SESSION TIMES AVAILABLE |
|------------|--|---|-----------------------------------|
| 07/08/2021 | Webster, Courthouse                              | 711 W 1st Street                          | 2:00—8:00 PM (CT)                 |
| 07/13/2021 | Lemmon, Dakota Lodge                             | 5 10th Street E                           | 2:00—8:00 PM (MT)                 |
| 07/20/2021 | Sioux Falls (school employees), SE Tech Campus   | The Hub, 2001 N Career Avenue             | 2:00—8:00 PM (CT)                 |
| 07/21/2021 | Sioux Falls (school employees), SE Tech Campus   | The Hub, 2001 N Career Avenue             | 8:00 AM—8:00 PM (CT)              |
| 07/26/2021 | Sisseton, City Hall                              | 406 2nd Avenue W                          | 2:00—8:00 PM (CT)                 |
| 08/03/2021 | Rapid City (school employees), Hilton Garden Inn | 815 E Mall Drive                          | 2:00—8:00 PM (MT)                 |
| 08/04/2021 | Rapid City (school employees), Hilton Garden Inn | 815 E Mall Drive                          | 8:00 AM—8:00 PM (MT)              |
| 08/10/2021 | Flandreau, Mad Mary's                            | 306 N Veterans Avenue                     | 2:00—8:00 PM (CT)                 |
| 08/17/2021 | Milbank, Super 8                                 | East Highway 12                           | 2:00—8:00 PM (CT)                 |
| 08/24/2021 | Springfield, Community Room                      | 605 8th Street                            | 2:00—8:00 PM (CT)                 |
| 08/31/2021 | Vermillion, Holiday Inn Express                  | 1200 N Dakota                             | 2:00—8:00 PM (CT)                 |
| 09/01/2021 | Vermillion, Holiday Inn Express                  | 1200 N Dakota                             | 8:00 AM—8:00 PM (CT)              |
| 09/08/2021 | Sturgis, Community Center Theater                | 1401 Lazelle Street                       | 10:00 AM—8:00 PM (MT)             |
| 09/14/2021 | Kadoka, Fire Hall                                | 102 Main Street                           | 2:00—8:00 PM (MT)                 |
| 09/15/2021 | Huron, Crossroads                                | 100 4th Street                            | 8:00 AM—8:00 PM (CT)              |

SDRS retirement planners are available for individual counseling sessions in person, by phone, or via virtual meeting with Microsoft Teams during normal office hours of 8:00 AM to 5:00 PM (CT) Monday through Friday and extended hours as indicated above. A complete schedule is available on the SDRS website, <https://sdrs.sd.gov>.

**To schedule an appointment, please call SDRS toll-free at 1-888-605-SDRS (7377).**

## ONLINE WORKSHOP & FORUM SCHEDULE

| DATE       | LOCATION       | WORKSHOP/FORUM                      | FORMAT             | TIME              |
|------------|----------------|-------------------------------------|--------------------|-------------------|
| 06/22/2021 | Brookings Area | Early & Mid-Career Workshop         | Presented via ZOOM | 6:00—8:00 PM (CT) |
| 06/23/2021 | Spearfish Area | Women & Financial Planning Workshop | Presented via ZOOM | 5:30—7:30 PM (MT) |
| 06/29/2021 | Watertown Area | Early & Mid-Career Workshop         | Presented via ZOOM | 6:00—8:00 PM (CT) |
| 07/06/2021 | Yankton Area   | Retiree Forum                       | Presented via ZOOM | 3:00—4:00 PM (CT) |
| 07/06/2021 | Yankton Area   | Pre-Retirement Planning Workshop    | Presented via ZOOM | 6:00—8:00 PM (CT) |

**To register for a workshop or forum, visit <https://sdrs.sd.gov> or call 1-888-605-SDRS (7377).**



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## SDRS Board News

At its June 2021 meeting, the SDRS Board of Trustees recognized two retiring board members: James Hansen and Laurie Gustafson. Dr. Hansen had served on the board as the retiree representative since 1993. Ms. Gustafson had served as a state employee representative since 2005.

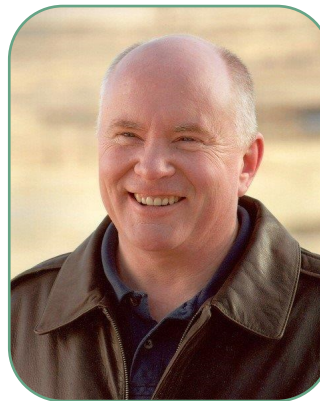
The 2021 Board of Trustees election was held this spring with three positions up for election: teachers, retirees, and state employees. James Appl, a teacher representative, ran unopposed and will return for another four-year term. Mr. Appl has been a teacher representative since 2017.

New to the Board are Mark Barnett and Jill Lenards. Mark Barnett was elected by retired SDRS members to serve as the retiree representative. He succeeds long-time Board member James Hansen, who did not seek reelection. During his career, Mr. Barnett served as South Dakota Attorney General and was a Circuit Judge. His term on the Board will begin July 1, 2021.

State employees elected Jill Lenards to serve on the Board as one of their representatives, replacing retiring Board member Laurie Gustafson. Ms. Lenards is an auditor for the South Dakota Department of Revenue. Her four-year term will begin July 1, 2021.

Each membership group elects its representative(s) to the SDRS Board of Trustees. In 2022, classified employees, public safety employees, and teachers will elect their respective representative to the Board.

Additional information regarding the SDRS Board of Trustees can be found under the “About SDRS” tab on the SDRS website, <https://sdrs.sd.gov>.



**Mark Barnett**  
Retiree Representative



**Jill Lenards**  
State Employee Representative

### Upcoming Board Meetings

09/02/2021, SDRS Campus, 222 E Capitol Avenue, Pierre  
12/02/2021, SDRS Campus, 222 E Capitol Avenue, Pierre

*The information presented in Outlook is neither a legal reference nor a complete statement of South Dakota laws or administrative rules. In any conflict between this information and South Dakota laws or administrative rules, the laws and administrative rules shall prevail.*

*Outlook is produced to communicate the plan provisions, changes in law, and issues of interest to members of the South Dakota Retirement System. It is published with funds provided through the contributions of teachers, school boards, state government, state employees, county commissions, county employees, municipal governments, municipal employees, and other local units and employees. 39,500 copies of this document were printed on recycled paper by SDRS at a cost of \$0.058 per document.*